



JIM JONES
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2101
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

October 21, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

16 October 21, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST FOR APPROVAL
TO ACQUIRE COMPUTER EQUIPMENT
(ALL DISTRICTS - 3 VOTES)**

CIO RECOMMENDATION:

(X) APPROVE () APPROVE WITH MODIFICATION () DISAPPROVE

SUBJECT

The Internal Services Department is requesting approval for the purchase of computer equipment with a unit cost greater than \$250,000 to meet the needs of the County of Los Angeles County departments.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD) to acquire computer equipment for a total financed capital asset expenditure of \$697,000 to support countywide automated applications.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On an ongoing basis, ISD acquires computer equipment to meet the computer application needs of County departments.

Approval of this request will acquire a mainframe server to replace an end-of-life server located at the Local Recovery Center (LRC). The server will be used to provide Disaster Recovery support for mainframe systems running in ISD's Downey data center.

Implementation of Strategic Plan Goals

The acquisition of this computer equipment is necessary to meet the information technology requirements of the departments served by ISD and supports the County's strategic goal for Operational Effectiveness.

FISCAL IMPACT/FINANCING

The computer equipment acquisition of \$579,000 will be financed through Los Angeles County-Capital Asset Leasing (LAC-CAL) over five years for a total financed cost of \$697,000. The computer server equipment is included in the equipment listing that your Board has authorized for LAC-CAL financing in the Fiscal Year (FY) 2014-15 Budget.

ISD has adequate appropriation for the lease costs in its FY 2014-15 Adopted Budget, and will request appropriation for the lease costs in future fiscal years' budget requests. ISD recovers all these costs through usage-based charges to customer departments and requires no additional Net County Cost (NCC) for these acquisitions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This request complies with the County's Equipment Policy that your Board approved on October 16, 2001. This Policy requires that departments obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater. The Chief Information Office (CIO) concurs with the Department's recommendation and the CIO Analysis is included as Attachment I.

CONTRACTING PROCESS

These equipment items are commodity acquisitions under the statutory authority of the County Purchasing Agent. The acquisitions will be competitively bid by the Purchasing Agent in accordance with the standard County Purchasing policies and procedures.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Your approval will ensure that ISD can acquire the resources necessary to operate County computer systems managed by the Department.

CONCLUSION

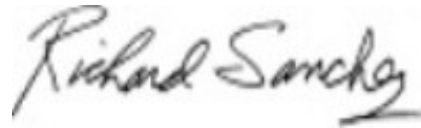
The Executive Officer, Board of Supervisors, is requested to return one stamped copy of the approved Board letter to the Director, ISD.

Respectfully submitted,

Reviewed by:

A handwritten signature in cursive script that reads "JE Jones".

JIM JONES
Director

A handwritten signature in cursive script that reads "Richard Sanchez".

RICHARD SANCHEZ
Chief Information Officer

JJ:TJT:JF:EW:sg

Attachment

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Attachment I

Office of the CIO
CIO Analysis

NUMBER:

CA 14-23

DATE:

10/7/2014

SUBJECT:

REQUEST FOR APPROVAL TO ACQUIRE COMPUTER EQUIPMENT

RECOMMENDATION:

☒ Approve

☐ Approve with Modification

☐ Disapprove

CONTRACT TYPE:

☐ New Contract

☐ Sole Source

☐ Amendment to Contract #: Enter contract #.

☒ Other: Purchase of Equipment

CONTRACT COMPONENTS:

☐ Software

☒ Hardware

☐ Telecommunications

☒ Professional Services

SUMMARY:

Department Executive Sponsor: Jim Jones, Director, Internal Services Department

Description: The Internal Services Department (ISD) is requesting approval to acquire a mainframe server to replace an end-of-life server at the Local Recovery Center (LRC).

Contract Amount: \$697,000

Funding Source: Los Angeles County Capital
Asset Leasing (LAC-CAL) Fiscal
Year (FY) 2014-15 Budget/ISD FY
2014-15 Adopted Budget

☐ Legislative or Regulatory Mandate

☐ Subvened/Grant Funded:

**Strategic and
Business Analysis**

PROJECT GOALS AND OBJECTIVES:

The objective of this project is to acquire and implement a new IBM mainframe server to replace the end-of-life IBM mainframe server located at the Santa Ana LRC.

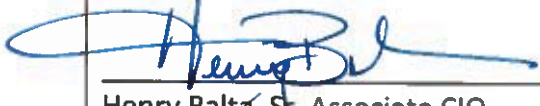

BUSINESS DRIVERS:

The primary business driver is to continue providing disaster recovery services for the production IBM mainframe environment located at the Downey Data Center.

PROJECT ORGANIZATION:

A Project Manager from ISD/ITS will be assigned to lead the effort. Professional Services from the vendor will also be used, as needed.

| | |
|---------------------------|--|
| | <p>PERFORMANCE METRICS:</p> <p>The installation of the new IBM mainframe server will be deemed ready to provide the necessary disaster recovery services once it has been installed, configured, and tested.</p> <hr/> <p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>This project is well aligned with the business and the CIO Strategic Directions. Maintaining disaster recovery preparedness for the County's mainframe applications is critical. Although the overall technology direction of the County is to reengineer or replatform mission critical legacy mainframe applications, this migration strategy will take several years to implement. In the meantime, it is imperative that disaster recovery services continue to be provided for the mainframe applications hosted in the Downey Data Center.</p> <hr/> <p>PROJECT APPROACH:</p> <p>The replacement mainframe server will be implemented according to a detailed project plan, with the necessary professional services support. An appropriate exit strategy will be developed for the implementation.</p> <hr/> <p>ALTERNATIVES ANALYZED:</p> <p>ISD researched alternative IBM and SunGard mainframe disaster recovery solutions. However, both solutions were cost-prohibitive and there was no guarantee that the disaster recovery services would be available in the event of a disaster.</p> |
| Technical Analysis | <p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The new IBM zBC12 mainframe server will replace the existing end-of-life IBM zBC10 mainframe server. The new server is IBM's latest generation machine and is comparable to the processing capabilities of the existing server. Additionally, IBM's Capacity Backup Upgrade (CBU) feature allows the County to utilize the mainframe server for disaster recovery testing exercises and fully utilize the system in the event of a disaster without incurring additional software licensing charges.</p> <p>The new mainframe server will allow ISD to continue providing disaster recovery services for the following applications:</p> <ul style="list-style-type: none"> • Adult Probation System (APS) – Probation; • Trial Court Information System (TCIS) – Superior Court; • Foster Care Index (FCI) – DCFS; • Mental Health Management Information System (MHMIS) – DMH; • Jury Management System (JMS) – Superior Court; • Hospital Material Management System (HMMS) – DHS; • Electronic Traffic System (ETRS) – Superior Court; • County Warrant System (CWS) – LASD; |

| | | | | | | | |
|--------------------------------------|--|---------------|-----------|-------------------------------|-----------|--------------------------------------|------------------|
| | <ul style="list-style-type: none"> • Property DataBase (PDB) – Assessor; • Tax Bills – TTC; • Automated Jail Information System (AJIS) – LASD; and • Own Recognizance Management System (ORMS) – LASD; | | | | | | |
| Financial Analysis | <p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <table> <tr> <td>Hardware.....</td><td>\$579,000</td></tr> <tr> <td>Estimated Financing Cost.....</td><td>\$118,000</td></tr> <tr> <td>Five-year Financed costs.....</td><td>\$697,000</td></tr> </table> <p>This acquisition will be financed through LAC-CAL over five years. The hardware cost is inclusive of sales tax, maintenance, and professional services for implementation. The first year cost of \$34,809 is included in ISD's FY 2014-15 Adopted Budget. Appropriation for future lease costs will be requested in future years. ISD will recover all costs through usage-based charges to client departments.</p> | Hardware..... | \$579,000 | Estimated Financing Cost..... | \$118,000 | Five-year Financed costs..... | \$697,000 |
| Hardware..... | \$579,000 | | | | | | |
| Estimated Financing Cost..... | \$118,000 | | | | | | |
| Five-year Financed costs..... | \$697,000 | | | | | | |
| Risk Analysis | <p>RISK MITIGATION:</p> <p>1. Because ISD technical staff has implemented IBM mainframe servers in the past, the risks are low. However, the risks will be mitigated through the use of vendor professional services, as needed.</p> <p>The Chief Information Security Officer (CISO) reviewed the request and did not identify any IT security or privacy related issues. However, the CISO requests that the hard disk(s) of the end-of-life server undergo a disposition/destruction process commensurate with the Board of Supervisors Information Technology Security Policy # 6.112 – Secure Disposition of Computing Devices. If professional services are needed for this engagement to satisfy this requirement, a provision should be included to ensure privacy of personal/confidential data.</p> | | | | | | |
| CIO Approval | <p>PREPARED BY:</p> <p> Henry Balta, Sr. Associate CIO</p> <p>APPROVED:</p> <p> Richard Sanchez, County Chief Information Officer</p> <p><u>10/9/14</u> Date</p> <p><u>10/9/14</u> Date</p> | | | | | | |

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at <http://ciointranet.lacounty.gov/>